



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE:

April 29, 2004

PD-1

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**COUNTY-STATE AGREEMENT
TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY
REGIONAL SURFACE TRANSPORTATION PROGRAM
ALL SUPERVISORIAL DISTRICTS
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chairman to sign the enclosed agreements between the County of Los Angeles and the State of California, which each assign a County apportionment of Federal funds in the amount of \$950,813 to the State in exchange for an equal amount of non-Federal State Highway Account funds, and also allocate to the County \$100,000 in State matching funds from the State Highway Account for the Fiscal Years 2001-02 and 2002-03 for a total assignment to the County of \$2,101,626.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of this agreement is necessary to execute the exchange of funds. The use of Federal funds by the County for highway projects requires conformance with certain detailed documentation processes. By accepting non-Federal funds in exchange for Federal funds from the State, the County is relieved of these Federal documentation requirements.

The Streets and Highways Code establishes the policy of the State Legislature toward those funds apportioned under the Transportation Equity Act for the 21st Century for qualifying County transportation projects. Based on the funds provided to the State under the Transportation Equity Act for the 21st Century, the County of Los Angeles was apportioned \$950,813 each for Fiscal Years 2001-02 and 2002-03 in accordance with Section 182.6 of the Streets and Highways Code. These Regional Surface Transportation Program funds may be exchanged for non-Federal State Highway Account funds. Additionally, Section 182.9 of the Streets and Highways Code requires that the State allocate matching funds from the State Highway Account to the County, which totals \$200,000 for Fiscal Years 2001-02 and 2002-03. The enclosed agreements claim the County's apportionment of the Regional Surface Transportation Program exchange funds (\$950,813) and the allocation of State matching funds (\$100,000) for Fiscal Years 2001-02 and 2002-03 for a total of \$2,101,626.

Implementation of Strategic Plan Goals

This action is consistent with the County's Strategic Plan Goal of Organizational Effectiveness as it provides services in a more responsive manner. This action will relieve the County of specific Federal documentation requirements and will facilitate the completion of necessary road improvement projects.

FISCAL IMPACT/FINANCING

These agreements have no net effect on the revenue available to the County for highway projects.

After execution of these agreements, we will prepare an invoice to the State in the amount of \$2,101,626. These funds will be held in trust and will be utilized for projects to be identified in the Road Fund budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the agreement, the County agrees to use these funds for projects in the adopted Federal Transportation Improvement Program that were to be funded with Regional Surface Transportation Program funds or for projects in approved amendments to the Federal Transportation Improvement Program. The County further agrees that it will not utilize these funds for any capacity-enhancing project, which has not been included in the Metropolitan Planning Organization's "build" alternative of the air quality conformance analysis for this area and subsequent concurrence in the project's implementation. The Metropolitan Planning Organization for the County is the Southern California Association of Governments. In addition, the \$200,000 in State funds must be used to match Federal-funded transportation projects.

The Honorable Board of Supervisors
April 29, 2004
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ENVIRONMENTAL DOCUMENTATION

Since the enclosed Resolution does not constitute a project or the approval of a project pursuant to Sections 301 and 307 of the County's Environmental Document Reporting Procedures and Guidelines, the proposed action is not subject to the requirements of the California Environmental Quality Act.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The funds covered under these agreements will be used on future transportation improvement projects in the County.

CONCLUSION

Enclosed are the State original, the County original, and the County File copy of these agreements, which have been approved as to form by County Counsel. Upon execution, please certify and return the State and County originals together with three approved copies of this letter. The County File copy is for your files until the executed County original is returned to you, at which time the County File copy should be conformed and forwarded to the Auditor-Controller.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DWC:rmr

C041444
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Enc.

cc: Chief Administrative Office
County Counsel

**FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM
CALIFORNIA DEPARTMENT OF TRANSPORTATION - MPO COUNTY**

07 LOS ANGELES
District County

COUNTY ORIGINAL

Agreement No. X02-5953(386)
EA No. 07-931946L

THIS AGREEMENT is made on _____, by the COUNTY of LOS ANGELES, a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (CALTRANS).

WHEREAS, COUNTY desires to assign apportionments made available to it for allocation to transportation projects under the Transportation Equity Act for the 21st Century (TEA-21), as modified in accordance with Section 182.6 of the Streets and Highways Code (Regional Surface Transportation Program (RSTP) funds) in exchange for nonfederal State Highway Account funds, and

WHEREAS Section 182.9 of the Streets and Highways Code requires the allocation of State matching moneys from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

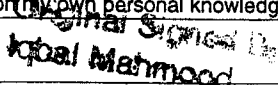
I. FEDERAL APPORTIONMENT EXCHANGE PROGRAM

A. As authorized by Section 182.6(h)(2) of the Streets and Highways Code, COUNTY agrees to assign to CALTRANS:

\$950,813.00 from the eligible portion of its annual minimum RSTP Apportionment for Fiscal Year 2001/02.

The eligible portion of said minimum apportionment is the COUNTY's annual minimum RSTP apportionment established under Section 182.6(d)(2) of the Streets and Highways Code in excess of 3 1/2 percent of the statewide minimum apportionment established under Section 182.6(d)(2) less any federal apportionments already obligated for projects chargeable to its eligible portion annual minimum RSTP apportionment.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
						Accounting Officer	Date 4-26-02	\$ 1,050,813-
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$
106	2001	2660-101-042	2001-2002	20.30.010.830		217000	102-42-T	100,000-
106	2001	2660-101-042	2001-2002	20.30.010.840	C	224040	102-42-T	950,813-

B. COUNTY agrees to use such funds, as necessary, for those projects already included in the adopted Federal Statewide Transportation Improvement Program (FSTIP) that were to be funded with RSTP funds exchanged under Section I.A or reach agreement on amendments to the FSTIP.

C. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM - Section 182.9

A. As authorized by Section 182.9 of the Streets and Highways Code, CALTRANS agrees to pay to COUNTY \$100,000.00 from the unobligated balance of its State Matching moneys for Fiscal Year 2001/02.

B. COUNTY agrees that before it uses State Matching funds for any other lawful purpose, it shall use such funds to match federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to funds being made available by the State Budget Act, and upon receipt of an invoice evidencing COUNTY's assignment of its apportionment under Section I.A to CALTRANS, CALTRANS agrees to pay to COUNTY an amount not to exceed \$1,050,813.00 which amount is equal to the sum of the apportionment amounts identified in Sections I.A and the State Match funds identified in Section II.A.

B. COUNTY agrees to use all State funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

C. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

D. COUNTY agrees to grant State of California auditors access to COUNTY's books and records for the purpose of verifying that funds paid hereunder are properly accounted for and proceeds are expended in accordance with the terms of this agreement. All documents will be available for inspection by authorized CALTRANS agents at any time for a four-year period from date of payment under this agreement or one year after the audit is completed or waived by CALTRANS, whichever is later.

E. COUNTY agrees in the event COUNTY fails to use funds received hereunder in accordance with the terms of this agreement, CALTRANS will require COUNTY to replace those State funds with local funds and credit the account established under Section III.C. In the event of such requirement by CALTRANS, COUNTY shall provide written verification to CALTRANS that the requested corrective action has been taken.

F. CALTRANS reserves the right for the payments required hereunder to be reduced to offset such additional federal apportionments obligated for projects chargeable to the COUNTY's annual RSTP minimum apportionment as are not counted in Section I.A and such additional State Match funds obligated for federal projects as are not counted in Section II.A.

STATE OF CALIFORNIA
Department of Transportation

COUNTY OF LOS ANGELES

Office of Project Implementation, South
Division of Local Assistance
Date: _____

Chairman, Board of Supervisors
Date: _____

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By Frank E. Scott
Deputy

**FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM
CALIFORNIA DEPARTMENT OF TRANSPORTATION - MPO COUNTY**

07 LOS ANGELES
District County

COUNTY ORIGINAL

Agreement No. X03-5953(429)
EA No. 07-932261 L

THIS AGREEMENT is made on _____, by the COUNTY of LOS ANGELES , a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (STATE).

WHEREAS, COUNTY desires to assign apportionments made available to COUNTY for allocation to transportation projects under the Transportation Equity Act for the 21st Century (TEA-21), as modified in accordance with Section 182.6 of the Streets and Highways Code (Regional Surface Transportation Program (RSTP) funds) in exchange for nonfederal State Highway Account funds, and

WHEREAS Section 182.9 of the Streets and Highways Code requires the allocation of State Matching moneys from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

I. FEDERAL APPORTIONMENT EXCHANGE PROGRAM

A. As authorized by Section 182.6(h)(2) of the Streets and Highways Code, COUNTY agrees to assign to STATE:

\$950,813.00 from the eligible portion of its annual minimum RSTP Apportionment for Fiscal Year 2002/03.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance								
Original Signed By Iqbal Mahmood					Accounting Officer	Date 6-10-03	\$ 1,050,813.00	
Chapter	Statutes	Item	Fiscal Year	Program	BC	Category	Fund Source	\$
379	2002	2660-102-0042	2002-2003	20.30.010.830	S	217000	102-42-T	
379	2002	2660-102-0042	02-03	20.30.010.840	C	224040	113-042-T	

The eligible portion of said minimum apportionment is the COUNTY's annual minimum RSTP apportionment established under Section 182.6(d)(2) of the Streets and Highways Code in excess of 3 1/2 percent of the statewide minimum apportionment established under Section 182.6(d)(2) less any federal apportionments already obligated for projects chargeable to COUNTY's eligible portion annual minimum RSTP apportionment.

B. COUNTY agrees to use such funds, as necessary, for those projects already included in the adopted Federal Statewide Transportation Improvement Program (FSTIP) that were to be funded with RSTP funds exchanged under Section I.A or reach agreement on amendments to the FSTIP.

C. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM - Section 182.9

A. As authorized by Section 182.9 of the Streets and Highways Code, STATE agrees to pay to COUNTY \$100,000.00 from the unobligated balance of COUNTY's State Matching moneys for Fiscal Year 2002/03.

B. COUNTY agrees that before COUNTY uses State Matching funds for any other lawful purpose, COUNTY shall use such funds to match federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to the availability of State funds by the State Budget Act, and upon receipt of COUNTY invoice evidencing COUNTY's assignment of COUNTY's apportionment under Section I.A to STATE, STATE agrees to pay to COUNTY an amount not to exceed \$1,050,813.00 that equals the sum of the apportionment amounts identified in Sections I.A and the State Match funds identified in Section II.A.

B. COUNTY agrees to use all State funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

C. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

D. COST PRINCIPLES

1) COUNTY agrees to comply with, and require all project sponsors to comply with, Office of Management and Budget Circular A-87, Cost Principles for State and Local Government, and 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

2) COUNTY will assure that its Fund recipients will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project cost items and (b) those

parties shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving Funds as a contractor or sub-contractor under this Agreement shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3) Any Fund expenditures for costs for which COUNTY has received payment or credit that are determined by subsequent audit to be unallowable under Office of Management and Budget Circular A-87, 48 CFR, Chapter 1, Part 31 or 49 CFR, Part 18, are subject to repayment by COUNTY to STATE. Should COUNTY fail to reimburse Fund moneys due STATE within 30 days of demand, or within such other period as may be agreed in writing between the Parties hereto, STATE is authorized to intercept and withhold future payments due COUNTY from STATE or any third-party source, including, but not limited to, the State Treasurer, the State Controller and the CTC.

E. THIRD PARTY CONTRACTING

1) COUNTY shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed using Funds without the prior written approval of STATE.

2) Any subcontract or agreement entered into by COUNTY as a result of disbursing Funds received pursuant to this Agreement shall contain all of the fiscal provisions of this Agreement; and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors.

3) In addition to the above, the preaward requirements of third party contractor/consultants with COUNTY should be consistent with Local Program Procedures as published by STATE.

F. ACCOUNTING SYSTEM

COUNTY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate Fund expenditures by line item. The accounting system of COUNTY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

G. RIGHT TO AUDIT

For the purpose of determining compliance with this Agreement and other matters connected with the performance of COUNTY'S contracts with third parties, COUNTY, COUNTY's contractors and subcontractors and STATE shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times for three years from the date of final payment of Funds to COUNTY.

STATE, the California State Auditor, or any duly authorized representative of STATE or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent for audits, examinations, excerpts, and transactions, and COUNTY shall furnish copies thereof if requested.

H. TRAVEL AND SUBSISTENCE

Payments to only COUNTY for travel and subsistence expenses of COUNTY forces and its subcontractors claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced are in excess of those authorized DPA rates, then COUNTY is responsible for the cost difference and any overpayments shall be reimbursed to STATE on demand.

I. SINGLE AUDIT

COUNTY agrees to include all state (Funds) and federal funded projects in the schedule of projects to be examined in COUNTY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with Office of Management and Budget Circular A-133.

STATE OF CALIFORNIA
Department of Transportation

COUNTY OF LOS ANGELES

Office of Project Implementation, South
Division of Local Assistance
Date:_____

Chairman, Board of Supervisors
Date:_____

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By Framin E. S. [Signature]
Deputy